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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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10/649,180

08/27/2003

Jay S. Walker

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22927

7590

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EXAMINER

PIERCE, WILLIAM M

ART UNIT

PAPER NUMBER

3711

MAIL DATE

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PAPER

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

<b>Office Action Summary</b>	<b>Application No.</b> 10/649,180	<b>Applicant(s)</b> WALKER ET AL.	
	<b>Examiner</b> William M. Pierce	<b>Art Unit</b> 3711	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 10 November 2008.
- 2a) ☐ This action is **FINAL**.                      2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 19-21,23-27,29-33 and 35-43 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 4,19-21,23-27,29-33 and 35 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |  |   |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892)                       | 4) <input type="checkbox"/> Interview Summary (PTO-413)           |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)   | Paper No(s)/Mail Date. _____                                      |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date <u>11/10/08</u> .  | 6) <input type="checkbox"/> Other: _____                          |

### DETAILED ACTION

On 11/20/08, a pre-appeal conference was conducted with Michael Phillips, Eugene Kim and the assigned Examiner. The following office action is the result of that conference.

#### ***Claim Rejections - 35 USC § 101***

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 19-21, 23-27 and 29-32 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

A "method for facilitating play" in this context in its broadest sense is not limited to any particular machine. It is broad enough to read on software that would enable a player to play the game on a gaming machine. This is not a sufficient tie to another statutory class since "generating a pattern of nodes", "causing" and "determining" are not a physical transformation. It is just a manipulation of data. Hence the instant claims are considered process claims that do not transform underlying subject matter (such as an article or materials) to a different state or thing and are not tied to another statutory class (such as a particular apparatus). *See Diamond v. Diehr*, 450 U.S. 175, 184 (1981) (quoting *Benson*, 409 U.S. at 70); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978) (citing *Cochrane v. Deener*, 94 U.S. 780, 787-88 (1876)). *See also In re Comiskey*, 499 F.3d 1365, 1376 (Fed. Cir. 2007) (request for rehearing *en banc* pending). Even

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a game to be played on a "computer readable medium" (as in claim 32), over a network or over the internet as claimed does not require any particular apparatus because a "game" in this context in it's broadest sense is not limited to any particular machine. Where these claims have been determined to be articles of manufacture, claim 32 merely recites that the processor merely "read data". No further positive physical steps to be performed by the software are recited. Merely claiming abstract ideas (i.e. no physical steps to be performed), stored on a computer-readable medium, in a computer, or on an electromagnetic carrier signal, does not make it statutory. See >Diamond v.< Diehr, 450 U.S. \*175,< 185-86, 209 USPQ 1, 8. It is broad enough to read on software that would enable a player to play the game on a gaming machine. This is not a sufficient tie to another statutory class.

### ***Claim Rejections - 35 USC § 112***

The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

Claims 21, 32 and 33 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the enablement requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention.

As to claims 32 and 33, neither the specification nor the drawing enable one skilled in the art to make and use the invention as claimed without undue

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experimentation. There exists no flowcharts or diagrams in the specification detailed enough so that an ordinary programmer in the games can practice the invention.

Likewise, the steps of downloading are not described in the specification.

Claims 19-21, 23-27 and 29-43 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claims 19-21, 26, 27, 29 and 30 recite a "method for facilitating play", yet they recite a combination of structure consistent with an apparatus claim and abstract ideas pertaining to the rules of playing the lottery ticket. One cannot determine to which statutory class of inventions these claims are drawn. More clear form of reciting "methods of playing games" have recited the physical structure of the apparatus worked upon in physical steps such as "providing..." subsequently followed by the physical steps required to perform the method such as "starting the game by a player selecting any one of the nodes". Here the physical steps of "starting" and "selecting" are considered positive actions that are clear. Further the scope of a "simulated scratch-off lottery ticket" as called for in claim 19 is not clear. The structure that makes something simulated must be positively recited since there is no known standard or structure by which something is simulated. Further looking at claim 21 by way of example, this claim is in stark contrast to the clear and positive physical step of "providing an electronic device" and "downloading". Further, while claim 32, resembles a Beauregard type claim, it has only one clear physical step positively recited in "read data". Steps like

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"printing" or "establishing" a plurality of nodes or links when recoded on a computer readable medium on the other hand are considered clear.

Like claim 19, claim 35 is unclear in that the preamble recites a "method for providing a scratch-off lottery game" and recites a combination of physical structure in the play area and rules of play "in accordance with a game rule". Where this claim can be interpreted as a product by process or method of playing, the scope of the claim is not clear.

### ***Claim Rejections - 35 USC § 102***

Claim 19-20, 23-27, 29-31, 35, 36, 38 and 40-43 are rejected under 35 U.S.C. 102(b) as being anticipated by being unpatentable over Smith 5,411,260.

As to claim 19 Smith shows a pattern of nodes 30 containing symbols 42 within its perimeter on what is considered to be a "simulated scratch-off lottery ticket" that form a plurality of available paths such as in the combination of columns stretching from south in a first section to north on a second section. Nodes numbered 35 and 77 are considered "at least two node in the pattern that are adjacent to one another don not together form a portion of an available path. He further shows that any node can be selected at the start of the game (col. 1, ln. 56 to col. 2, ln. 19), that they are concealed from view until indicated by a player (col. 1, ln. 58), an indication that the player has completed the game (col. 2, lns. 11-17) and determining and awarding a prize (ln. 18). As to claims 20 and 26, the lines between the nodes 30 of Smith are considered links. Most broadly adjacent means "not distant : NEARBY " which what is shown by nodes

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numbered 35 and 70 that are not connected by a link. Claims 27 and 29-31 is interpreted as set forth above with respect to claim 19. As to claim 23, a player is awarded a prize is a path is formed from a first section in the south to a second section in the north and determining a prize (col. 2, lns. 11-18).

In claims 35, 36 and 38, 40, 41, fig. 4 of Smith shows symbols of a predetermined total value 42A and a first path indicated by "money" and a second path not associated with a prize indicated by "wrong way".

Here claim 33 is alternatively interpreted as an apparatus claim. The "wherein" steps recited in the claim are considered drawn to intended use and as such do not distinguish over the applied art. Note that it has been held that while features of an apparatus may be recited either structurally or functionally, claims directed to an apparatus must be distinguished from the prior art in terms of structure rather than function. In re Schreiber, 128 F.3d 1473, 1477-78, 44 USPQ2d 1429, 1431- 32 (Fed. Cir. 1997). An apparatus claim, such as a computer readable medium that is currently pending, cover what a device is, not what a device does." Hewlett-Packard Co. v. Bausch & Lomb Inc., 909 F.2d 1464, 1469, 15 USPQ2d 1525, 1528 (Fed. Cir. 1990). Where the claimed and prior art products are identical or substantially identical in structure or composition, or are produced by identical or substantially identical processes, a prima facie case of either anticipation or obviousness has been established. In re Best, 562 F.2d 1252, 1255, 195 USPQ 430, 433 (CCPA 1977). Here there is no structural difference being claimed that is not shown in the prior art. The prior art is capable of performing all the steps recited in the claim.

While there is nothing inherently wrong with functional limitations, they must amount to a structural difference over the prior art. In the most literal sense, there is no difference between the applicant's claimed game machine and that of the prior art which is capable of reading data by a processor. Most broadly, it is well settled by the courts that a general purpose computer in effect becomes a special purpose computer once it is programmed to perform particular functions (Reply Br. 4). See *In re Alappat*, 33 F.3d 1526, 1545, 31 USPQ2d 1545, 1558 (Fed. Cir. 1994). However, this case dealt with a question 101 and not 112 or 102 as in the instant case. It is the position of the examiner that it was certainly not the position of the Courts to imply that a machine merely programmed in a different manner could not be anticipated. For example in *Alappat*, the court ruled that an old oscilloscope in combination with the claimed "anti-aliasing" technique produces a new oscilloscope "comparable to a TV having a clearer picture". This new machine created in this case amounted to an improvement in the machine over the prior art. This new machine was capable of performing in a way that was not within the capabilities of the prior art. That is not the case here when one considers applicant's invention as a whole. Here applicant's game machine does not per se make known game machines in the art a "special purpose" or new game machine. Instead, the game machine remains the same with the abilities and capabilities necessary to perform the steps required to play any game one would wish to program on it. Unlike *Alappat* where there was an improvement in the machine in the prior art as a result of the new functional capabilities being claimed, the game machine claimed here has no new capabilities. The examiner further illustrates his position for example on a



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numerical controlled machine for manufacturing. Each time the machine "reprogrammed" to manufacture a new job does NOT make it a new machine. The machine is being programmed and "used" in the manner in which it was intended. Here applicant has merely reprogrammed the prior art machine with the steps for playing a different game. These steps do not amount to a structural difference in the machine, but merely allow it to play a different card game. Much like a numerical controlled machine programmed to produce a different part in manufacturing. The recitation of the intended use of a different card game does not make it a new machine in line with *Alappat*. In short, applicant's claimed invention, in particular his steps recited to playing the game, are purely intended use that does not amount to a structural difference in the game machine itself to make it better in that it is not capable of causing functional change in the computer. See, e.g., *Warmerdam*, 33 F.3d at 1361, 31 USPQ2d at 1760. In *Alappat*, the Courts in effect ruled that there was a significant change and improvement to the old machine. That is not the case here where the running of applicant's functional limitation do not change the machines of the prior art or improve them in any way.

When a computer program is recited in conjunction with a physical structure, such as a computer memory, USPTO personnel should treat the claim as a product claim. Applicant's position is that the functional recitations in his claims are "software limitations (which are patentable)" (pg. 18, ln. 12). First, it is not the examiner's position that there is a prohibition on software per se. In *Microsoft Corp. v. AT&T Corp.*, 550 U.S. (2007), 127 S. Ct. 1746. In *Microsoft Corp.*, The opinion by Justice Ruth Bader Ginsburg held that "software code is an idea without physical embodiment"; it cannot be a

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component of a patented invention. The case in general set forth that it is the general rule under United States patent law that no infringement occurs when a patented product is made and sold in another country. This decision appears to support the examiners position that software in general need to be given little patentable weight as they cannot be considered a "component" of the invention. As in the instant case, these limitations are considered intended use and not drawn to any software per se. In it AT&T held a patent to a computer used to digitally encode and compress recorded speech. Microsoft was said to potentially infringe since its operating system, when installed on a computer enabled it to process speech in the manner claimed in the AT&T Patent. The question at hand was whether or not Microsoft supplied copies of its software from the US. Ginsburg states that infringement was only when a computer is loaded with Windows (software) and is thereby capable of performing as the patented speech processor. In this case the issue is with the programming of a "blank" machine that has no purpose without software installed. That is not the case with the instant issue. Here we have a gaming machine that is capable and intended to play games. Loading it with another game does not change or improve the structure gaming machine it self. Instead, it is being used in the way that it was intended, that is to play card games. Clearly the product shown by the prior art is still a computer gaming system. Since, as in Microsoft software, the steps are analogous to an abstract set of instructions and cannot be regarded as a component of the machine, they can only be regarded as intended use in an apparatus claim as those we have before us.

Nowhere in *Microsoft* is a question of anticipation under 102 or indefiniteness under 112

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addressed. Likewise, *In re Alappat*, 33 F.3d 1526, 1545 (Fed. Cir. 1994), dealt with a question 101 and not 112 or 102 as in the instant case.

Lastly, it has been held that the manner of operating the device does not differentiate apparatus claims from the prior art. A claim containing a "recitation with respect to the manner in which a claimed apparatus is intended to be employed does not differentiate the claimed apparatus from a prior art apparatus" if the prior art apparatus teaches all the structural limitations of the claim. *Ex parte Masham*, 2 USPQ2d 1647 (Bd. Pat. App. & Inter. 1987). As set forth above in the basis for the grounds for rejection, applicant is merely operating a device known in a particular manner and these limitation cannot be used to differentiate it from the prior art. In *Akamai*, the technology was concerned with relieving internet congestion and dealt with a claimed "computer frame". The framework resulted in increasing the accessibility of web pages on the Internet. This case dealt with a question of infringement, anticipation under 102 and obviousness. In it, it did recognize that determining whether a prior art reference discloses each and every limitation of the claim expressly or inherently, *Scripps Clinic & Research Found. v. Genentech, Inc.*, 927 F.2d 1565, 1576-77 (Fed. Cir.1991 ), is a factual question reviewed for substantial evidence. *Eaton Corp. v. Rockwell Int'l Corp.*, 323 F.3d 1332, 1343 (Fed.Cir.2003). This factual question is contingent upon the proper claim construction. He the issue is one of claim construction in the amount of weight afforded to what are considered to be functional limitations of intended use in a product or apparatus claim.

***Claim Rejections - 35 USC § 102***

Claims 19-21, 23-27, 29-33 and 35-43 are rejected under 35 U.S.C. 102(e) as being obvious over Riendeau et al., U. S. Patent No. 6,761,633 (hereinafter "Riendeau") in view of Smith, U.S. Patent No. 5,411,260 (hereinafter "Smith").

As to claims 19-21, 26, 27 and 29-31 Riendeau shows a "lottery ticket" a plurality nodes 16 with concealed symbols 68 in a play area, with a continuous path 14 that is associated with a prize as shown in fig. 2G. The symbols are printed in such a way that the symbols do not have a link between them as shown in fig. 2A at nodes 01 and 16 and do not form a portion of an available path. At col. 3, ln. 38 Riendeau shows associating a prize at the completion of the game. While nothing in the claims recites any structure to give any weight to the term Scratch-off and "thicket". Applicant may believe that the implied printed paper with removable material to conceal it is distinguishable over this applied art. However, it is considered well known to make either electronic or physical embodiments of a game. Riendeau electronic embodiment covers his indicia through the programming. Making manual or automating a manual activity has been held as a non-patentable advance. In re Venner, 262 F.2d 91,95 replace a manual activity which accomplished the same result is not sufficient to distinguish over the prior art. As to claims 32 and 33, Riendeau uses a computer readable medium with a storage device. Claims 23-25 are inherent in Riendeau. Thus the claiming of a new use, new function or unknown property which is inherently present

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in the prior art does not necessarily make the claim patentable. In re Best, 562 F.2d 1252, 1254, 195 USPQ 430,433 (CCPA 1977).

Smith is applied to address the limitations in games like that of Riendeau which a player forms a path from one objective to another to show that a player may select any node at the start of the game. He further teaches in games like that of applicant "wrong way" symbols 42B that form a non-continuous path in order show wrong choice. To have used "wrong way" indicia in a game like that of Riendeau as taught by the similar game to Smith would have been obvious in order to make the game more difficult. With respect to claims 32, 33 and 35 claims 19 and 26 respectively drawn to "a method of producing a scratch-off lottery ticket", a computer, an apparatus, "a method for facilitating play", the rules of play are not considered physical steps to distinguish over the applied art. Alternatively, Smith teaches that a player may select any symbol as long as it forms a continuous path from one boarder to another as set forth above. To have allowed the method of play of Smith in Riendeau would have been obvious in order to give the player more choice.

Claims 21, 32, 33, 37, 39 and 42 are rejected under 35 U.S.C. 103(a) as being unpatentable over Smith.

As to claims 21, 32 and 33, downloading a physical game to an electronic device having a processor and storage device or to a computer readable medium is old and well known to games so that they can be played electronically. As to claims 37, 39 and 42, the value assigned to the game elements in Smith is considered an obvious matter of

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choice. To have chosen a value of 21 for the indicia without any further steps solves no particular problem or produces any unexpected results.

Applicant's arguments filed 11/10/08 have been fully considered and are not persuasive in view of the new grounds for rejection above.

### **Conclusion**

Any inquiry concerning this communication or earlier communications from the examiner should be directed to William Pierce whose telephone number is 571-272-4414 and E-mail address is bill.pierce@USPTO.gov. The examiner can normally be reached on Monday and Friday 9:00 to 5:00.

If attempts to reach the examiner by telephone are unsuccessful, communication via email at the above address may be found more effective. Where current PTO internet usage policy does not permit an examiner to initiate communication via email, such are at the discretion of the applicant. However, without a written authorization by applicant in place, the USPTO will not respond via Internet e-mail to any Internet correspondence which contains information subject to the confidentiality requirement as set forth in 35 U.S.C. 122. A paper copy of such correspondence will be placed in the appropriate patent application. The following is a sample authorization form which may be used by applicant:

*"Recognizing that Internet communications are not secure, I hereby authorize the USPTO to communicate with me by responding to this inquiry by electronic mail. I understand that a copy of these communications will be made of record in the application file."*

For further assistance examiner's supervisor, Gene Kim can be reached on 571-272-4463. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

/William M Pierce/

Primary Examiner, Art Unit 3711